

October 1, 1954

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## SALES FINANCE COMPANIES

AUGUST 1954

Passenger car instalment paper held by sales finance companies continued upward during August, increasing 65 million dollars to an estimated 5,436 million at the month end. Total consumer instalment credit outstanding at sales finance companies was estimated at 6,256 million dollars at the end of August, 67 million above the preceding month end and 332 million above a year earlier.

The volume of credit extended on passenger cars, estimated at 590 million dollars, showed a further reduction from the June high. As in the preceding two months, however, new extensions in August were above a year earlier, as year-to-year gains in new car volume more than offset declines in used car financing. Approximately 180 thousand new cars and 258 thousand used cars were financed by sales finance companies during the month.

Wholesale automotive paper outstanding decreased 17 million dollars during August to a month-end total of 858 million. Other wholesale and commercial vehicle paper also declined, while other business credit increased.

Outstanding Credit Held by Sales Finance Companies  
(In millions of dollars)

Type of credit	Aug. 31, 1954	Increase or decrease during:		
		Aug. 1954	Aug. 1953	Year ended Aug. 31, 1954
Consumer instalment credit	6,256	+ 67	+108	+332
Retail automotive (passenger cars)	5,436	+ 65	+101	+328
Other consumer goods paper	335	0	+ 7	- 39
Repair and modernization loans	82	0	- 3	+ 10
Personal loans	403	+ 2	+ 3	+ 33
Business credit <sup>1/</sup>	1,618	- 14	+ 3	-228
Retail automotive (commercial vehicles)	359	- 2	- 2	-146
Wholesale automotive	858	- 17	+ 5	- 35
Wholesale other than automotive	39	- 3	- 4	- 7
Other business credit	362	+ 8	+ 4	- 40

Credit Extended by Sales Finance Companies  
(In millions of dollars)

Type of credit	August 1954	Change from:	
		Month ago	Year ago
Consumer instalment credit	686	- 41	+ 15
Retail automotive (passenger cars)	590	- 36	+ 12
New	355	- 8	+ 55
Used	235	- 28	- 43
Other consumer goods paper	36	- 3	+ 2
Repair and modernization loans	5	0	- 2
Personal loans	55	- 2	+ 3
Business credit <u>1/</u>	843	+ 23	- 60
Retail automotive paper (commercial vehicles)	34	+ 2	0
New	23	+ 2	+ 2
Used	11	0	- 2
Wholesale automotive paper	705	+ 19	- 57
New (passenger and commercial)	665	+ 19	- 42
Used (passenger and commercial)	40	0	- 15
Wholesale other than automotive	15	- 3	0
Other business credit <u>1/</u>	89	+ 5	- 3

Number of Motor Vehicles Financed by Sales Finance Companies  
(In thousands)

Type of vehicle	August 1954	Change from:	
		Month ago	Year ago
Total financed at retail	471	- 18	- 16
New passenger	180	- 3	+ 14
Used passenger	258	- 18	- 30
New commercial	16	+ 1	+ 1
Used commercial	17	+ 2	- 1
Total financed at wholesale	345	+ 11	- 31
New (passenger and commercial)	309	+ 12	- 18
Used (passenger and commercial)	36	- 1	- 13

1/ Excludes some credit extended to business, such as credit arising from factoring operations.